

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1276

In lieu of the amendments adopted by the Senate as printed on pages 1156 and 1157 of the Senate Journal, Engrossed House Bill No. 1276 is amended as follows:

Page 1, line 1, after "Act" insert "to create and enact a new section to chapter 4.1-01 of the North Dakota Century Code, relating to the agriculture infrastructure grant program;"

Page 1, after line 4, insert:

"**SECTION 1.** A new section to chapter 4.1-01 of the North Dakota Century Code is created and enacted as follows:

Agriculture infrastructure grant program.

1. The agriculture commission, in consultation with the director of the department of transportation, shall develop policies to administer the agriculture infrastructure grant program to include a grant application process and eligibility criteria.
2. The agriculture commissioner, in consultation with the director of the department of transportation, shall award grants to political subdivisions for road and bridge improvements necessary to accommodate value-added agriculture businesses. Grant funding under this subsection may be used for:
 - a. Corridor improvements on county and township roadways; and
 - b. Improvements to roads or bridges that provided access to value-added agriculture businesses.
3. The agriculture commissioner shall award grants to entities for water and sewer line improvements and electrical and gas supply improvements necessary to accommodate value-added agriculture businesses.
4. Grants awarded under this section may not exceed:
 - a. The lesser of one million two hundred fifty thousand dollars per project or eighty percent of the infrastructure project cost for grants awarded under subsection 2.
 - b. The lesser of three hundred fifty thousand dollars per project or eighty percent of the capital improvement project costs for grants awarded under subsection 3.
5. For purposes of grant eligibility under this section, value-added agriculture businesses include the same businesses as provided under section 4.1-01.1-07.
6. Grant funding under this section may not be used for routine maintenance or operating costs."

Page 1, line 16, after "section" insert "and section 1 of this Act"

Page 1, line 18, after "loans" insert ", interest rate buydowns."

Page 1, line 22, replace "subsection 5" with "section 1 of this Act"

Page 2, line 6, after "loans" insert "and interest rate buydowns"

Page 2, remove lines 22 through 31

Page 3, remove lines 1 through 3

Page 3, line 6, replace "\$30,000,000" with "\$25,000,000"

Page 3, line 8, replace "\$30,000,000" with "\$25,000,000"

Page 3, line 9, after "for" insert "agriculture infrastructure"

Re-number accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1276 - Department of Agriculture - Senate Action

	<u>Base Budget</u>	<u>House Version</u>	<u>Senate Changes</u>	<u>Senate Version</u>
Agriculture diversification		\$30,000,000	(\$5,000,000)	\$25,000,000
Total all funds	\$0	\$30,000,000	(\$5,000,000)	\$25,000,000
Less estimated income	0	0	0	0
General fund	\$0	\$30,000,000	(\$5,000,000)	\$25,000,000
FTE	0.00	0.00	0.00	0.00

Department 602 - Department of Agriculture - Detail of Senate Changes

	<u>Reduces Funding for Grants¹</u>	<u>Total Senate Changes</u>
Agriculture diversification	(\$5,000,000)	(\$5,000,000)
Total all funds	(\$5,000,000)	(\$5,000,000)
Less estimated income	0	0
General fund	(\$5,000,000)	(\$5,000,000)
FTE	0.00	0.00

¹ Funding for agriculture diversification and infrastructure grants is reduced from \$30 million to \$25 million.

This amendment also creates a statutory section and provides guidelines for the agriculture infrastructure grant program.